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ABSTRACT

Education is often referred to as a business and expected to follow standard business practices. An examination of the schools shows that they resemble natural monopolies and service enterprises. Although they have administrative management, they do not have a parallel to production management. When education is viewed as a business, it becomes clear that educational management is complicated by problems concerning evaluation of production and outmoded employee relations. Tenure procedures are often ineffective in providing job protection. Shoddy dismissal procedures both fail to protect some teachers against unfair job termination and unreasonably protect some incompetent teachers. Many schools provide ineffective orientation for new teachers and insufficient supervision of all teachers. An unresolved problem is whether teachers may engage in collective bargaining and strike. Teachers are different from other employees in their preference for limiting their organizational activities to subject matter organizations rather than engaging in broader issues. Schools are different from other businesses in the aloofness of educators from interest in financing. Schools are also somewhat unusual in the way leadership is identified. A particularly exceptional practice of the business of education is the involvement of nonprofessionals (the public) in school internal affairs. (Author/JM)

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The Business of Education

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To point out that education today is big business would be to belabor the obvious, particularly in those many communities where public schools constitute the most important local business with the largest payroll. But even as education is emphasized as a business, the business of education is subject to abuse in a failure to carefully and critically analyze the peculiarities of the schoolhouse enterprise. Too often a lack of understanding leads to attempts to commercialize unique aspects and leave to chance business-like areas of concern. The result--waste, ineificiency, and dissatisfaction.

The business of public education is a natural monopoly and a service enterprise. All natural monopolies have come under extensive governmental supervision on the state level as a means of assuring adequate service and providing protection for the general public against excessive costs and abusive practices. Truisms of the open market, the free enterprise system, are absent in both public and private monopolies--conduct of these businesses is dependent on skillful proprietorship and conscientious regulation. Lack of competition means, of course, problems in

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measuring business success by comparison with competitors.

The educational business shares in common with the corner grocery and the auto manufacturer several concerns. All businesses are concerned with adequacy of plant and are well aware of the relationship between suitability of physical resources and success of the enterprise. The businessman whose labor force and space requirements are outgrowing his plant does not hesitate to mortgage the future to expand his priorities. School efficiency is also dependent on adequate facilities.

Classroom factory as well as steel plant needs expert administrative management that is highly sensitive to the ratio of cost to output. The success or failure of an enterprise depends on the sure judgment and juggling skill of agents of ownership who wield carrot and stick. The complicated operations of classroom utilization or inventory control make or break a school or office budget.

Administrative management has an important counterpart, production management. There is a natural competition between the two; one is concerned with the welfare and piece of mind of ownership and the other with the satisfaction of employees. In combination they should provide a harmonious compromise leading to the greatest efficiency and maximum profit. When administration and production are best matched one may expect that there is a compromise of interests which allows a delicate balance of control on the part of each.

Equilibrium between administrative and production management

in an enterprise of any magnitude is realized when these elements are separate, separated, and individually accountable and when joint concerns are resolved through a compromise of interests or through a mediating party. Once a business gets beyond the face-to-face relationship of employer to employee, production management appears in the person of foremen or departmental managers. In education, the analogy fails to meet the test for administrative and production management are concentrated in the same individuals. Even more important in education is the fact that, for all practical purposes, production management is inoperative. Not only does it become submerged in the interests and ego involvement of school administrators but effective measures, accurate indices, and sufficient supervision of production are absent.

There is no consensus on just what is an acceptable measure of successful educational production: it may be level of local tax rate, signs of a contented faculty, lack of vocal concern by parents, degree of satisfaction among students, record of successful competition in interscholastic athletic, music, speech activities, per cent of graduates admitted to college, or comparative scores on standardized achievement tests. Or it may be the success with which each individual pupil becomes a productive citizen or realizes his own social, physical, emotional, or academic potential. It might be the content of instruction, choice of instructional techniques, and quality of instruction.

Educational management concentrates on administrative concerns

more than on production aspects and reduces the need for measures of efficiency of the enterprise. In the business world production concerns have led to a revolution in employee relationships and changes in administrative procedures spurred on by demands for increased efficiency. Use of threats to halt production enabled factory workers to gain job protection, working rights, and increased compensation. Caught up in a dynamic developmental process, administrative management promoted improvements in production (and distribution and sales) techniques.

In the educational world employee relationships have evolved extremely slowly and have relied on the conscience of legislative bodies. Schools have just begun to test the balance between management and labor that has been an accepted feature of business for decades. Individual yearly contracts, of only passing historical interest to industry, still bind a teacher to his job and encourage an annual reappraisal of him and by him of his employment. A relatively unhampered administration still hires or fires without regard to production records but with a sharp concern for factors generally identified as "attitude, cooperativeness, and insubordination"--those obscure terms covering a multitude of real and imagined sins of commission or omission. Employee relations in education still have a long way to go before they meet the standards of unionized industry.

Legislative bodies have contrived the tenure process for teachers. Tenure laws purport to "protect" the teacher in maintaining rights to a position and in providing legal recourse in the

event of violation of tenure provisions and unfair dismissal from a teaching position. Effectiveness of tenure in protecting teachers against abuse of dismissal procedures depends more on the integrity of school administrators than on the effectiveness of legal processes.

Among the most reprehensible tools of school management are the dismissal procedures that have evolved. Few, if any, of the many teachers who leave their positions each spring are acknowledged or recorded as dismissals from a school system. Instead, a quiet arrangement is often negotiated by school administrators in which a teacher agrees to resign in return for a favorable job recommendation. The alternative facing the teacher is to mount a defense against the dismissal and the holding of a mock trial in which the school board (for whom the administrator is agent) hears the evidence and returns a verdict. Few teachers survive this process for it is obvious that the failure of the school board to uphold its administration would be an indictment of itself as well. Appeal processes may be provided under the tenure laws but they are usually more apparent than real. Teachers are not eager to face the publicity that accompanies a dismissal review. They seldom have the financial resources to continue extended litigation against school boards whose legal expenses are supported out of public funds.

It is not alone in the dismissal procedures that concern should be shown for personnel relations in the school but in the unsatisfactory retention policies where questionable conduct or

obviously unsatisfactory service may be ignored for months simply because the yearly contract ritual will eventually provide an opportunity for an unnoticed removal of a teacher. Any employee in a position to exert a harmful influence on youngsters should be removed with dispatch. The yearly contract mitigates against teacher and school, alike. It should be abolished in favor of continual and appropriate supervision and an appropriate set of professional practices in which both labor and management of the school enjoy suitable privileges and assume appropriate responsibilities. An appropriate borrowing from organized labor practice provides grievance procedures that effectively supplant tenure as a means of protecting the rights of teachers.

As evidence of ineffective production management in the schools and related attitudes of administrators, compare the initiation of a novice in the classroom with a newcomer on the production line. The teacher is handed an impressive, bound handbook of school regulations, a dry unimaginative detailing of unimportant minutae of school procedures, a "philosophical statement," rules for study halls, reporting personal illness, contributing to a retirement system, and rules, rules, rules! A handy reference for some matters, it may provide deadly reading and is likely to gather dust. Yet, the handbook may serve an important administrative purpose as an official listing of do's and don'ts. The handbook is the multi-purpose guide that leads the blackboard initiate in his new role. It serves in lieu of effective orientation to a school and to a constructive supervision. Contrast this with the

concern of industrial production management that closely and personally governs the introduction of a new production employee. The factory newcomer first watches the process and gradually assumes his role under the close supervision of production management or a delegated representative. Management may reassign individuals having difficulty or remove those whose ineptitude interferes with production. Efficiency of production is the standard by which employees and management are judged. School management is unlikely to appear on the production line to guide, suggest, prod, or correct new or experienced teachers. Only if an emergency arises (general disorder, parental or pupil complaints, failure to fulfill administrative directives) will management appear holding the handbook in one hand as explanations are demanded.

The phony issue of a teacher's "sacred classroom" has become a device for teachers who hide shoddy practices and teachers who hide superior (and thus threatening) procedures, as well as a protective screen for administrators who choose to evade the responsibilities of production management. The administrator, who may seek to exercise responsibility over management or production, operates contrary to general practice, is likely to be viewed with suspicion, is labeled a "snoopervisor," and is venturing into areas that his predecessors and colleagues have chosen to ignore.

An unfortunate result of the managerial structure of education has been the inability of teaching employees to organize as effective bargaining units--not just in the area of protection of their special interests, but even more so as the single group most

conversant with production aspects of the enterprise. States have inhibited the unionization of teachers and other public employees by outlawing the right to strike by those on the public payroll. Granting public employees the right to collective bargaining and to strike has been a slow and painful process. Public aquiescence in feeble teacher organization has ignored potential benefits in improvement of the educative process that far outweigh a taxpayer's minor irritations attendant with improved working conditions and financial status for teachers. State laws and ineffectiveness of teacher organization have gone hand-in-hand to deny to the public the combined talents of two million teachers.

The inability to resolve the question of the right of teachers to legally bargain and strike has created near chaos in many school systems, where illegal strikes occur with increasing frequency. The yearly contract negotiation ritual has been complicated by struggles between organized teachers and school boards for a relationship that is not sanctioned by law but vacillates between resolution of differences at the bargaining table and the conduct of negotiations under court orders and the jailing and firing of teachers. In many communities strikes and threats of strikes and continued conflict between teachers and school boards are diverting attention from the real business of education--teaching and learning. A situation of near constant crisis unsettles classrooms, isolates teachers from the community, and transfers mediation from legitimate issues to legal questions unrelated to schools and schooling. Settlements may be imposed by

judges who need claim no credentials in education or a knowledge of local political realities.

Many teachers organize into special interest groups where they tend to identify more with subject area concerns than with the broader educational effort. Such teacher behavior might be compared with truckers identifying with the product they haul rather than with trucking and physicians focusing on virology rather than identifying with a broad group of practitioners of many specialties. Whatever benefit is realized by teachers in special consideration of subject matter is more than offset by problems that arise if there is a failure to engage in the broader problems of education.

An administrator has unusual authority over his teaching staff when compared with managers of other comparably trained personnel. Imagine an engineer ordered to a payless unloading of freight cars out of working hours or assigned to sweep floors or sell popcorn. (His services, of course, are too valuable to take from the production line.) But the school teacher may be saddled with innumerable clerical tasks, with extra supervisory assignments beyond his own classroom, with responsibility for student organizations out of school time, to take tickets at a class play, or to chase dogs from a football field. His schedule may allow little respite from high pressures of interpersonal relations with students or may fail to provide him with adequate opportunities to complete the mountainous job of correcting assignments or preparing for future lessons. Instead, his work

goes home where additional hours are consumed before the hearth.

Teachers are alert to consequences of personal conflict with parents, pupils, administrators, or the local druggist. (It may be safer to discipline a bookkeeper's daughter than a banker's son). There are few if any business situations that have interpersonal relationships as complex as that of a teacher. Employee-management and employee-employee relationships are common but the teacher-pupil and teacher-parent relationships are unique. Physicians and lawyers may engage in close relationships with patients or clients but seldom if ever meet them on a mass basis. The teacher-parent relationship is more direct than that of an individual to physician or dentist or lawyer for there is no intervening disease or tooth or legal problem between the teacher and the student. Teacher behavior may elicit conflict with one student or parent or with an entire class and many parents. Conflict may arise from a teacher's error or misjudgment or it may erupt out of the biases or malicious intent of parents or from the problems and deficiencies of students. In no other business is the employee threatened from so many different directions as a consequence of his interactions with other persons.

Because production management is such a neglected area of the business of education, there is little information relative to production success and even that is suspect. However, one would venture some impressions with reference to the effects that imbalance of administrative over production management have on the character of the school working force. Emphasis of management

over production may result in the building of frustrations that tend to siphon off the better teaching potential: those teachers whose enthusiasm, ambition, and imagination have been thwarted by the system. There are exceptional teachers who derive unusual and intense satisfaction from association with children and within an area of specialization sufficient to outweigh frustrations; they remain in the profession. There are some schools whose faculties are largely constituted of these teacher-heroes but these schools are unfortunately scarce. In many schools the bulk of teaching veterans become the mediocre, the tired, the lame. They are the robots who thrill administration with maintenance of the status quo, who have given up efforts to change routines or introduce innovations. The average school production force consists of the transient young and idealistic, a few permanent stalwarts, and the hardy drones. This is not a particularly encouraging picture in the frantic search for efficiency of production in the schoolhouse.

If employee relations are a gnawing problem for the business of education, a manifest problem has to do with financing. Education shares with general business the necessity for sufficient funds to provide adequate plant, to staff administrative and production management, and to employ production personnel and permit them to operate. But education does not share with business refinancing techniques or eventual bankruptcy to gain release from the battle to survive in the shadow of inadequate finances; schools must struggle on without pause. Absence from the threat of bankruptcy is not an unmixed blessing; it both cultivates public

apathy and encourages lackadaisical administration.

Educational administrative management has been strangely aloof from an involvement in the resolution of financial problems. Private industry, on the other hand, demonstrates a high level of imagination and action to avoid financial chaos. While businessmen consummate mergers, acquire or sell plants, relocate, modernize equipment, retrench or diversify production, or market issues of stocks or bonds, educators consider major changes in financing of schools to be the responsibility of everyone else. They offer little in the way of plans to reform bases of finance and to support an increasingly expensive public enterprise.

The growing crisis in financing education is likely to be resolved before massive closure of schools, although there is a startling tolerance of politicians in some states to permit closing of a growing number of school systems for financial reasons. The long range view is bleak if school problems are met by responses to threats of disaster for resolutions will be hasty, ill-considered, and probably inadequate. The obvious collapse of property taxes as a foundation for school financing will require a carefully structured plan into the future rather than escape from current problems. There must be some tough decisions regarding the real priority system that pits education in the state against many special needs and interests, including highways, welfare, and government services. On the national level education will battle for position against funds for the military, foreign aid, and the bottomless political pork barrel.

The most interesting variation of education as a business is recruitment of management. It has been traditional that school administration should have a baptism of fire as a teacher on the educational production line. This parallels general business practice, although a recent trend finds some large corporations and large city school systems seeking top administrative management from areas outside the business specialization, particularly retirees from politics and the military. Production management seldom recruits beyond actual production experiences. The great bulk of business production management rises along a promotional scheme designed to reward proficiency and ability, and to protect the efficiency of production. The great bulk of school management represents personal decisions by individual teachers to rise above production through a masters degree program in educational administration. School management seldom taps proficient and able teachers for promotion with concern for the supervision and modernization of production; one merely taps oneself on the shoulder.

It is pertinent to probe motivation in opting for administrative training by those who would join educational management. Additional compensation is one obvious factor, but it cannot be ignored that moves into management also provide an escape from the classroom or from lack of success in subsidiary activities as coaching. Education is probably the only business where top management evolves from competition among applicants without serious concern for their success in either effecting or in supervising production. Emphasis is laid on potential for or performance

in the management of administrative detail.

In its careful selection of production management, industry is painfully aware that much of its fortune and future are under control of the skill and judgment of these appointees. With the responsibility that is placed on this group is corresponding authority, particularly as it relates to improvement of production. Those having personal contact and knowledge of production problems and potential are expected to use this information in the daily process and to make recommendations for improvements of production facilities.

Education seemed to be unconcerned about classroom efficiency in the teaching-learning process as its production equivalent. To the degree that efficiency of production was minimized, expectations placed on management for production efficiency were reduced. Limited recommendations for improvement of production were accepted from school management, but there was no corresponding expectation that it was a major function of school administration except for periodic and short-lived outbursts of public concern for the schools.

The accountability movement was an attempt by educators to apply business methods to the classroom. Judging teachers on the basis of pupil achievement test scores, however, is a poor application of the producer-product measure. It is an attempt to combine individual production and the assembly line. For the assembly line to measure production of each worker only by the finished product would be inefficient and ineffective. A child is not comparable to crude

metal molded into a carburetor housing, nor a metal rod machined to a closely fit gear. Education is a building experience, not a creative process. A metal rod responds to treatment, a child interacts with instruction. The teacher-practitioner, like the medical or legal practitioner, has to be measured by his choice of a practitioner's tools and the skills with which they are applied. In teaching as in medicine, the operation may be a success even if the patient dies.

Educators have surrendered to the stockholders (public) an equivalent knowledge of the schoolhouse production line. Specific teaching procedures are subject to school board control of budget and may be reviewed by the board for its rejection or approval. School boards may prescribe teaching materials or techniques for the classroom. School board interference has been carried to the extent that the Space Age has witnessed adoption of the McGuffey's Readers for the classroom, burning of books under the direction of a local school board, and removal of specific books from school shelves or classroom reading lists.

Relinquishing expertness in curriculum and methods by professional educators has not ended with boards of education for it is common practice to create citizen committees to sit as equals with schoolmen in resolution of educational problems. This effort to garner support by involving the public in its schools has been a sad failure for school administration as it did not ease the financial problems it was aimed to meet but effectively convinced the man-in-the-street that he is a qualified partner in the

educational process. Contrast this with the business corporation whose stockholders demand production efficiency from management and reserve the right to change management but do not become personally involved with production methodology or processes. It may be more obvious to the ordinary citizen that he is not qualified to determine compression ratios of automobile engines but it is also unlikely that automotive specialists would ask their customers to sit in on decisions about how auto repair or upkeep is to be handled or how to select and reward employees, keep accounts, advertize, and conduct other business matters.

Adjunct to both administrative management and production management in business is sales management, the key to distribution of a product. There would seem to be few sales management activities for school administration, although the vocational guidance program may seek to find employment for school graduates. But schools have plunged happily into that specialized aspect of advertising, public relations. These selling arts may be appropriate if used to educate the public about the true nature of its schools. The constant flow of information about schools to the public through youngsters raises questions about the necessity of providing extensive information about the classroom through techniques of public relations. Public relations techniques that serve to embellish the schools, to gild an administrative lily, to act in place of progress along the production line, provide a disservice both to the schools and their public. Educational public relations must not substitute for modernized employee relations, curricular progress, or for the

task of solving difficult classroom problems.

The business of education is complex, unique, and troubled. Its complexities evolve from problems of identifying production effectiveness, failure to evolve satisfactory internal relationships, confusion about the nature of public control, and a persistent inability to resolve financial problems. Added complications derive from the lack of educational leadership provided to the public in the search for solutions to problems through proposing and effecting necessary reforms. The complexity of education is due in part to the unique aspects of the enterprise. Efforts to equate education with typical private commercial enterprises must end in failure. Schools are best identified with other local public enterprises, such as police or fire protection, water or sewer services; all are natural monopolies, public services, dependent on public monies, engaged in procedures that are difficult to evaluate. Among these comparable activities, education is unique in size, in having the most obscure measures of production, and in recruiting public assistance in the conduct of its affairs. The troubles of education would collapse private enterprise and be intolerable in other public services. But the schools continue in the face of internal disorganization, confused management, an unstable labor force, and insufficient finances. A major barrier to change is the delicate balance of contending forces that prevent development of effective leadership for the schools.

Ministering to schoolhouse pains calls for major reform of the business of education. Application of usual commercial techniques

is inappropriate to this unique situation. Public relations methods cannot compensate for inefficiency of unsupervised production; increased renumeration for employees cannot serve in lieu of outmoded personnel policies; involving many individuals and groups in curricular matters cannot substitute for the knowledge and expertise of the qualified few. Nothing less than restructuring administration, creating responsible production management, freeing the labor force of traditional handicaps, fostering the development of emergent leadership, and creating an atmosphere permitting development and exchange of ideas will suffice. Reform, redirection, and reconstruction must be the order of the day before education may become an efficient, operating, and productive enterprise in its own right and not as an inappropriate model of the corner merchant or international industrial giant.